(e) BSP, with a view to resolve the issue, has taken up the matter with the State Government of Chhattisgarh.

Losses Incurred by SAIL

891. SHRI GHULAM NABI AZAD:
SHRI VIJAY J. DARDA:

Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that, of late, the annual losses incurred by the Steel Authority of India have been mounting over the years;

(b) if so, the reasons attributed to the continued losses being incurred by Steel Authority of India;

(c) whether Government have formulated any scheme to restructure the steel industry so as to make it a profitable one; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI BRAJ KISHORE TRIPATHY): (a) Steel Authority of India Limited (SAIL) has reduced its losses from Rs. 1720 crores in 1999-2000 to Rs. 720 (Prov.) in 2000-01 representing a reduction of about 58%.

(b) The reasons for SAIL's continuing losses are—

- Stagnation in steel consumption consequent to general slow down in the economy;
- Low sales realization resulting from excess supply in the market;
- Sluggish exports due to anti-dumping action abroad;
- High capital investment in the modernization projects leading to increased expenditures on interest and depreciation; and
- High manpower costs.

(c) and (d) While Government have not formulated any scheme to restructure the steel industry, Government have approved in February, 2000 financial and business restructuring package for SAIL

for its revival. The restructuring package includes waiver of outstanding loans, providing of government guarantees for reducing manpower and for operation and divestment of non-core/non-viable activities.

Shifting of the headquarter of BALCO to KORBA

†892. SHRI BALKAVI BAIRAGI: Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that new management of Bharat Aluminimum Company (BALCO) has taken permission from Government to shift its Headquarter to Korba in Chhattisgarh;

(b) if so, by when and if not, whether it is a violation of agreement reached with shareholders; and

(c) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI BRAJ KISHORE TRIPATHY): (a) and (b) No, Sir.

(c) Does not arise.

Follow-up action on the report of Expert Committee on Steel

†893. SHRI BRATIN SENGUPTA: Will the Minister of STEEL be pleased to state:

(a) whether any follow-up action has been taken on the report of Expert Committee constituted in the year 1977 for drafting export strategy for Indian Steel Industry;

(b) if so, the details of the follow-up action and the results thereof; and

(c) whether there will be a great scope in the East-West and South-East Asia in this regard after implementation of some of recommendations of this group as soon as the recession period comes to an end in these areas?

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†Original notice of the Question was received in Hindi.